



HF 2442 – Hunting and Angling, Combination Licenses (LSB 5226HZ)
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Fiscal Note Version – As passed by House Ways and Means Committee

Description

House File 2442 amends Iowa Code to allow the purchase of new hunting and fishing license options. Changes to licensing and fee options:

- The Bill provisions are effective January 1, 2013. The Department of Natural Resources (DNR) will require time to update Electronic Licensing System of Iowa (ELSI), and draft new administrative rules. There will be no new revenue the first half of FY 2013.
- Leaves existing resident and nonresident licensing options intact.
- Creates a three-year fishing license.
- Allows for an additional third fishing line with the purchase of a third line permit.
- Creates a one-day fur dealer license costing \$250.
- Creates a three-year hunting license, including Wildlife Habitat Fee.
- Creates an annual combination hunting and fishing license, including Wildlife Habitat Fee.
- Provides the option to include the Wildlife Habitat Fee with the purchase of resident hunting and fur-trapping licenses.

Background

In 2011, the DNR hired Southwick Associates to conduct a survey of 5,000 recent license buyers to determine the interest level in different license opportunities. The survey indicated a high level of interest in different license options. The DNR offered combination licenses in the past, but this option ended with the creation of ELSI. New licensing options will result in a revenue increase for the Department, and will be allocated to the Fish and Game Trust Fund.

Assumptions

- Estimates are based on a survey of 5,000 recent fishing and hunting license purchasers. Revenue estimates assume maximum demand for new licensing options.
- New licensing options result in cost savings to hunters and anglers. This estimate assumes cost savings will lead directly to more license sales. Three-year licenses save anglers \$4 in administrative fees, a hunter will save \$10.
- There is no data indicating interest in combination licenses. Therefore, no revenue increase is assumed from offering combination licenses.
- There is no data indicating interest in one-day fur dealer licenses. Therefore, no revenue increase or decrease is assumed from offering one-day fur dealer licenses.
- Federal matching funds are not included in estimates. Federal aid is not allocated on a stable per license basis. Aid allocation derives from a formula that considers license sales, land management, excise tax revenue, and other factors. An increase in federal aid to Iowa cannot be estimated. However, new license options will result in more federal aid than continuing the status quo.
- Three-year licensing options will save hunters and anglers \$490,000 on writing and administrative fees over three years.

Revenue to the Department will increase by an estimated \$525,000 in FY 2013 and \$1.1 million in FY 2014. Administrative costs will decrease by an estimated \$28,000 in FY 2013 compared to FY 2011. Costs will decrease by \$55,000 in FY 2014 and 2015. Reprograming the online licensing system will cost \$10,000, with approximately \$1,000 going toward salaries.

Estimated Impact to the Fish and Game Trust Fund			
Description	FY 2013	FY 2014	FY2015
Revenue:			
3-Year Hunting	\$ 85,000	\$ 169,000	\$ 169,000
3-Year Fishing	215,000	430,000	430,000
Combination License	0	0	0
Third Fishing Line	225,000	451,000	451,000
Total Revenue	\$ 525,000	\$ 1,050,000	\$ 1,050,000
Expenditure:			
Salaries	\$ 1,000	\$ 0	\$ 0
Administrative	-28,000	-55,000	-55,000
Programming	10,000	0	0
Total Expenditures	-17,000	-55,000	-55,000
Net Increase	\$ 542,000	\$ 1,105,000	\$ 1,105,000

Fiscal Impact

There is no fiscal impact to the General Fund.

The net impact to the Fish and Game Trust Fund will be an estimated net increase of \$542,000 in FY 2013 and \$1.1 million each year after. Estimates are an average of expected revenue and expenditure for three years. Depending on the year, the majority of hunters or anglers purchase a three-year license, revenue and expenditures could fluctuate annually.

Sources

Department of Natural Resources
Legislative Services Agency analysis

/s/ Holly M. Lyons

March 14, 2012

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the correctional and minority impact statements were prepared pursuant to [Iowa Code section 2.56](#). Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.